(ii) Total interest upto 31-3-1992 may be considered for write off in respect of loans where principal of the loan was Rs. 5001/- to Rs. 25,000/-. The accounts which already stand closed on or before 31-3-1992 would not qualify for such relief.

(iii) The cut off date under the Central interest Subsidy Scheme may be extended upto 31-3-1992 by scaling down the rate of interest to 4 per cent per annum (Simple) for the period 1-1-1990 to 31-3-1992 *in respect of loans* where the principal of the loan was Rs. 25,001/- and above. The accounts which already stand closed on or before 31-3-1992 would not qualify for such relief.

(iv) After providing the interest relief as recommended above, the repayment of the balance amount may be spread over five years from the date of decision, at the normal rate of interest.

(v) In case of riot affected borrowers, interest on interest should not be charged by banks upto 31-3-1992 on the past loans given to such riot affected borrowers. The accounts which already stand closed on or before 31-3-1992 would not qualify for such relief.

(vi) Reserve Bank of India (RBI) may advise all the banks to review cases of inadequate financing experienced by existing running units or such units which could be nursed back and provide them need-based working capital' term loan at current rate of interest.

(vii) Fresh credit facilities sanctioned to riot affected borrowers should be at normal rate of interest and subject to usual RBI *norms* announced from time to time.

RBI is taking necessary action for implementation of the recommendations. No time limit is stipulated for implementing the same.

Loans written off by State Bank of Indore

2569. SHRI RAM NARESH YADAV: Will the Minister of FINANCE be *pleased to state:*

(a) what is the number of non-recoverable loans written off by the State Bank of Indore as per the guidance of RBI during the last three years and till date in the current year;

(b) what is the amount written off by the Bank during the said period, year-wise and account-wise;

(c) whether the Banking Division has set up any procedure to review the loan scheme for the purpose of such writing off; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MININSTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d) The overdue advances of State Bank of Indore as on March 1990, 1991 and September 1991 (latest available) are given below:

(Rs. in crores)

As on	Outstanding	Overdues	%of overdues to outstanding
March 1990	718	101	14.06
March 1991	826	116	14.10
September 1991	805	117	14.50

Under the Agricultural Rural Debt Relief Scheme (ARDR) 1990 formulated by the Government for providing debt relief to the selected category of borrowers of Public Sector Banks and Regional Rural Banks upto Rs. 10,000 per borrower, State Bank of Indore has written off an amount of Rs. 21.02 crores in respect of 65679 borrowers. The scheme has already come to a close on 31.3.1991.

According to the forms of Balance Sheet and Profit & Loss Account prescribed in the Third Schedule of the Banking Regulation Act, 1949 which banks are required to follow, and in accordance with the practices and usages customary among the bankers, the banks are given statutory protection from disclosing the quantum of bad and doubtful debts for which the provision is made to the satisfaction of statutory auditors as well as the amount of bad debts written off. In accordance with the statutes governing the public sector banks, information relating to or to the affairs of their constituents, is not to be divulged.

The banks provide loans to credit worthy borrowers/institutions after the credit worthyness of the borrower has been ascertained. However, in the operations of the accounts, certain debts are likely to be bad due to factors often beyond the control of the banks. With a view to minimising, the incidents of such advances, Reserve Bank of India (RBI) conducts financial inspection of banks regularly. After every inspection the main findings are discussed by RBI with the Chief Executives of the banks. They are impressed upon to take all necessary steps to gear up the internal control machinery and to reduce the sticky/sick advances within a time bound programme. The banks are also required to submit their half-yearly progress reports to RBI indicating the progress in recovery/regularisation of their such advances. In addition to above RBI has issued various guidelines to all public sector banks, including State Bank of Indore, to reduce the amount of overdues and also to improve the recovery performance of the commercial banks in respect of their advances to various sectors. Some of the important guidelines are as follows:

1. Banks have been impressed upon to institute a viable recovery system with a view to help recycling the scarce resources of the banks to the needy and productive sectors of the economy on the one hand, and to improve the profitability and viability of the lending banks, on the other.

2. The Chief Executives of the banks have been advised to pay their personal attention to the monitoring of large advances.

3. Introduction of a comprehensive and uniform grading system to indicate the health of individual advances for the purpose of their effective monitoring and follow up.

4. To keep a watch on the recovery of top sticky accounts.

5. Taking corrective action where advances are found to have become sticky.

प्रशासनिक व्यय में कटौती

@2570. **डा. जिजेन्द्र कुमार जैन :**
श्रीमती सुषमा स्वराज :

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार ने अपने प्रशासनिक व्यय में कटौती करने का निर्णय किया है ;

(ख) यदि हां, तो क्या यह भी सच है कि उक्त प्रस्ताव के अंतर्गत प्रशासन में अधिकारी स्तर के कुछ पदों को कम किए जाने का विचार किया गया था ;

(ग) 1992-93 के वित्तीय वर्ष के दौरान कितने तथा कौन-कौन से पद कम

@पूर्वत: अतारांकित प्रश्न 1307, 4 मार्च, 1993 से स्थानांतरित ।